

NELSON P. COHEN
United States Attorney

RETTA-RAE RANDALL
Assistant United States Attorney
Federal Building & U.S. Courthouse
222 West Seventh Avenue, #9, Rm. 253
Anchorage, Alaska 99513
Phone: (907) 271-5071
Fax: (907) 271-1500
Email: rettarae.randall@usdoj.gov

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

UNITED STATES OF AMERICA,)	No.
)	
Plaintiff,)	<u>COUNTS 1 - 22:</u>
)	HONEST SERVICES FRAUD
vs.)	BY MAIL
NEZAR KHALED "MIKE" MAAD, and IMAD SALIM HEREIMI,)	Vio. 18 U.S.C. §§ 1341, 1346
)	
Defendants.)	

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times material to this Indictment:

1. NEZAR KHALED "MIKE" MAAD ("MAAD") was employed by the State of Alaska as a Publication Specialist II for Financial & Management Services, a branch of the Department of Health and Social Services ("DHSS") between January 27, 2003 and May 26, 2006. MAAD's duties included writing, planning, and designing publications,

brochures, forms, business cards, and other printed material for publication and use by the DHSS.

2. Horizon Graphics was a licensed printing company, P.O. Box 244611, Anchorage, AK 99524-4611, owned by IMAD SALIM HEREIMI ("HEREIMI"); Horizon Graphics had no printing equipment and was operated out of Golden Donuts, 2213 East Tudor Road, Anchorage, Alaska, a business owned and operated by HEREIMI.

RELEVANT ALASKA STATE LAW

3. An Alaska state public officer may not use, or attempt to use, an official position for personal gain. A.S. §39.52.120(a). An Alaska state public officer may not accept, receive, or solicit compensation for the performance of official duties or responsibilities from a person other than the state. A.S. §39.52.120(b)(2). An Alaska state public employee may not render services to benefit a personal or financial interest or engage in or accept employment outside the agency which the employee services, if the outside employment or service is incompatible or in conflict with the proper discharge of official duties. A.S. §39.52.170(a).

4. State of Alaska Treasury Warrants are issued in payment for invoices submitted to the State of Alaska.

THE SCHEME

5. Beginning in and around October, 2005, and continuing thereafter until at least in or about April, 2006, the defendants, NEZAR KHALED "MIKE" MAAD, and IMAD SALIM HEREIMI, devised and intended to devise a material scheme and artifice to defraud the State of Alaska and the citizens of the State of Alaska of public funds and

of their right to the honest services of MAAD, performed free from deceit, favoritism, bias, self-enrichment, self-dealing, concealment and conflict of interest.

PURPOSE OF THE SCHEME

6. The purpose of the scheme was for MAAD to use his position as a state employee to obtain money for Horizon Graphics from State of Alaska printing jobs in order to provide funds to establish a construction company called Horizon Construction to be owned and operated by MAAD and HEREIMI.

MANNER AND MEANS

7. The manner and means by which MAAD and HEREIMI carried out the scheme included MAAD using his position as a State of Alaska employee to obtain print job requests needed by the State of Alaska;

8. It was further part of the scheme that HEREIMI obtained an Alaska Business License for Horizon Graphics;

9. It was further part of the scheme that HEREIMI, as owner of Horizon Graphics, established a business account for Horizon Graphics with Wells Fargo Bank N.A. and obtained two Wells Fargo Visa credit cards, XXXX-XXXX-XXXX-7880 and XXXX-XXXX-XXXX-7301 for use by Horizon Graphics;

10. It was further part of the scheme that MAAD would arrange for the State of Alaska printing orders to be completed at printing companies other than Horizon Graphics for set prices, without disclosing his relationship with the State of Alaska;

11. It was further part of the scheme that MAAD would then pay the other printing companies for the finalized printing orders with cash or using the Wells Fargo

Visa credit cards, XXXX-XXXX-XXXX-7880 and XXXX-XXXX-XXXX-7301 previously obtained by HEREIMI for Horizon Graphics;

12. It was further part of the scheme that the defendants in the name of Horizon Graphics would then create or cause to be created new invoices to the State of Alaska for those completed orders, inflating the prices, but adding no value to the projects;

13. It was further part of the scheme that the new inflated Horizon Graphics invoices would then be submitted by MAAD for payment by the State of Alaska;

14. It was further part of the scheme that the payments from the State of Alaska, based upon the inflated invoices submitted by MAAD, would then be mailed to HEREIMI and deposited into the Horizon Graphics bank account with Wells Fargo Bank, N.A.

COUNTS 1 - 22

15. Paragraphs 1 - 14 of this Indictment are hereby realleged in their entirety and incorporated by reference herein.

16. On or about the dates set forth below, in the District of Alaska, the defendants, NEZAR KHALED "MIKE" MAAD and IMAD SALIM HEREIMI, for the purpose of executing and attempting to execute the above described material scheme and artifice to defraud, did knowingly cause to be placed in an authorized depository for mail matter, to be sent and delivered by the Postal Service according to the directions thereon, and to take and receive therefrom the foregoing mail matter, to wit: STATE OF ALASKA TREASURY WARRANTS to IMAD HEREIMI dba Horizon Graphics, P.O. Box 244611, Anchorage, AK 99524-4611, with each mailing constituting a separate and distinct count:

COUNT	DATE MAILED	WARRANT NUMBER	AMOUNT	HORIZON GRAPHICS INVOICE	ACTUAL COST
1	11/04/2005	21885003	\$ 672.00	100220	\$185.00
2	12/05/2005	21916738	\$1660.00	100221	\$716.66
3	12/05/2005	21916738	\$ 470.00	100225	\$171.45
4	12/21/2005	21938684	\$4077.50	100235	\$2374.75
5	1/04/2006	21950004	\$1300.00	100245	\$670.54
6	1/20/2006	21969232	\$1159.00	100255	\$349.93
7	1/25/2006	21973429	\$ 104.00	100249	\$ 40.00
8	1/25/2006	21973391	\$ 192.00	100252	\$ 92.00
9	1/26/2006	21975176	\$ 156.00	100254	\$ 80.00
10	2/07/2006	21989163	\$1660.00	100253	\$716.66
11	2/28/2006	22013707	\$1675.00	100256	\$1384.94
12	3/06/2006	22020099	\$ 996.00	100264	\$600.00
13	3/08/2006	22024292	\$ 104.00	100263	\$ 60.00
14	3/15/2006	22033048	\$4825.00	100266	\$240.00
15	3/16/2006	22034702	\$ 342.00	100259	\$ 60.00

21	05/05/2006	22093935	\$ 968.00	100280	\$253.75
22	05/16/2006	22105870	\$1340.00	100279	\$497.56

All in violation of Title 18, United States Code, Sections 1341 and 1346.

A TRUE BILL.

s/Grand Jury Foreperson
GRAND JURY FOREPERSON

s/Retta-Rae Randall
RETTA-RAE RANDALL
Assistant United States Attorney
Federal Building & U.S. Courthouse
222 West Seventh Avenue, #9, Rm. 253
Anchorage, Alaska 99513
Phone: (907) 271-5071
Fax: (907) 271-1500
Email: rettarae.randall@usdoj.gov

s/Nelson P. Cohen
NELSON P. COHEN
United States Attorney
Federal Building & U.S. Courthouse
222 West Seventh Avenue, #9, Rm. 253
Anchorage, Alaska 99513
Phone: (907) 271-5071
Fax: (907) 271-1500
Email: nelson.cohen@usdoj.gov

DATED: January 16, 2008